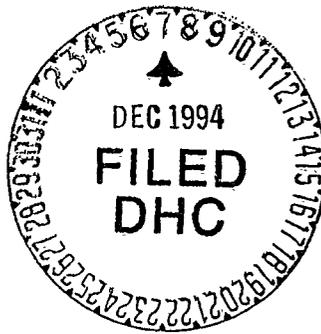


NORTH CAROLINA
WAKE COUNTY



9134

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
94 DHC 11

THE NORTH CAROLINA STATE BAR,)
)
Plaintiff,)
)
vs.)
)
SUSAN H. BRADSHAW, ATTORNEY)
)
Defendant.)

CONSENT ORDER
OF
DISCIPLINE

This matter came on before the hearing committee of the Disciplinary Hearing Commission composed of Maureen D. Murray, Chair, L. Patten Mason and Anthony E. Foriest pursuant to Section 14 (H) of Article IX of the Rules and Regulations of the North Carolina State Bar. Ms. Bradshaw has agreed to waive a formal hearing in the above referenced matter. All parties stipulate that these matters may be resolved by the undersigned Hearing Committee, and that Defendant further hereby waives her right to appeal this consent order or challenge in any way the sufficiency of the findings. The Hearing Committee therefore enters the following:

FINDINGS OF FACT

1. The Plaintiff, the North Carolina State Bar, is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar promulgated thereunder.

2. The Defendant, Susan H. Bradshaw, was admitted to the North Carolina State Bar on September 19, 1980, and is, and was at all times referred to herein, an attorney at law licensed to practice law in North Carolina, subject to the rules, regulations, and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.

3. During all of the periods referred to herein, the Defendant was actively engaged in the practice of law in the State of North Carolina and maintained a law office in Wake County, Raleigh, North Carolina.

4. On September 18, 1990, Rebecca Brannon retained Ms. Bradshaw for representation in a Social Security Disability case. Ms. Brannon signed a fee contract agreeing to pay Ms. Bradshaw a contingency fee of one-fourth of all retroactive benefits, with said fee being subject to Social Security Administration review and approval. Ms. Brannon also signed a fee petition agreeing to pay the yet unknown one-fourth amount as attorneys fee prior to the precise amount being calculated and inserted in the fee petition.

5. On August 12, 1991, Administrative Law Judge Robert J. Phares (hereinafter referred to as "ALJ Phares") of the Social Security Administration Office of Hearings and Appeals (hereinafter referred to as "OHA") in Raleigh, North Carolina found Rebecca Brannon to be disabled which disability consisted of post traumatic stress disorder, depression, personality disorder, and anxiety.

6. After receipt of the award letters, Ms. Bradshaw completed the fee petition and entered the amount of \$3,396.41, which amount reflected 25% of the disability award as agreed upon in the fee contract. On October 3, 1991, Ms. Bradshaw filed the fee petition with ALJ Phares seeking approval to charge and collect the requested fee of \$3,396.41.

7. On December 18, 1990, Goldia Jones retained Ms. Bradshaw for representation in a Social Security Disability case. Ms. Jones signed a fee contract agreeing to pay Ms. Bradshaw a contingency fee of one-fourth of all retroactive benefits. Ms. Jones also signed a fee petition agreeing to pay the yet unknown one-fourth amount as attorneys fee prior to the precise amount being calculated and inserted in the fee petition.

8. On November 27, 1991 ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina found Goldia Jones to be disabled on the basis of Chronn's disease and anxiety and depression.

9. After receipt of the award letters, Ms. Bradshaw completed the fee petition and entered the amount of \$9,242.60, which amount reflected 25% of the disability award as agreed upon in the fee contract. On August 3, 1992, Ms. Bradshaw filed the fee petition with ALJ Phares seeking approval to charge and collect the requested fee of \$9,242.60.

10. In August, 1991, Peggy R. Hunter retained Ms. Bradshaw for representation in a Social Security disability case. Ms. Hunter signed a fee contract agreeing to pay Ms. Bradshaw a contingency fee of one-fourth of all retroactive benefits. Ms. Hunter also signed a fee petition agreeing to pay the yet unknown one-fourth amount as attorneys fee prior to the precise amount being calculated and inserted in the fee petition.

11. On July 18, 1992, ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina found Peggy R. Hunter to be disabled on the basis of psychiatric problems including severe depression with memory and concentration deficits.

12. After receipt of the award letters, Ms. Bradshaw completed the fee petition and entered the amount of \$8,500.00, which amount reflected less than 25% of the disability award agreed upon in the fee contract. On February 2, 1993, Ms. Bradshaw filed the fee petition with ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina and sought approval to charge and collect the requested fee of \$8,500.00.

13. On May 9, 1992 Laura K. Hackenbrock retained Ms. Bradshaw for representation in a Social Security Disability case. Ms. Hackenbrock signed a fee contract agreeing to pay Ms. Bradshaw a contingency fee of one-fourth of all retroactive benefits. Ms. Hackenbrock also signed a fee petition agreeing to pay the yet unknown one-fourth of all retroactive benefits as attorneys fee, with the understanding that Ms. Bradshaw would insert the precise amount, which amount would reflect 25% of the disability award as agreed upon in the fee contract, when notified of same by the award letters.

14. ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina issued a favorable decision on the record and found Ms. Hackenbrock disabled by decision dated February 9, 1993.

15. After receipt of the award letters, Ms. Bradshaw completed the fee petition and entered the amount of \$2,580.75, which amount reflected 25% of the disability award as agreed upon in the fee contract. On October 22, 1993, Ms. Bradshaw filed the fee petition with ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina and sought approval to charge and collect the requested fee of \$2,580.75.

16. In August, 1991, Ernest R. Fromer retained Ms. Bradshaw for representation in a Social Security Disability case. Mr. Fromer signed a fee contract agreeing to pay Ms. Bradshaw a contingency fee of one-fourth of all retroactive benefits. Mr. Fromer also signed a fee petition agreeing to pay the yet unknown one-fourth of all retroactive benefits as attorneys fee prior to the precise amount being calculated and inserted in the fee petition.

17. ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina found Ernest Fromer disabled by decision dated October 30, 1992.

18. Prior to submitting a Fee Petition to ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina, on November 22, 1993, Mrs. Fromer came to Ms. Bradshaw's office to review the fee arrangement since the 25% amount that should have been withheld for attorneys fee had been inadvertently released by the payment center directly to Mr. Fromer and not withheld for the attorney as was the standard course of procedure. At this meeting Ms. Bradshaw provided Mrs. Fromer with copies of the completed fee petition, the attached itemization of legal services and another copy of the fee contract to take back to Mr.

Fromer. On December 23, 1993, Ms. Bradshaw filed a fee petition with ALJ Phares of the Social Security Administration, OHA in Raleigh, North Carolina seeking approval to charge and collect a fee in the amount of \$1,706.50, which figure reflected 25% of the disability award as agreed upon in the fee contract.

19. Ms. Bradshaw's fee contract in the above cases stated that she would receive 25% of all retroactive benefits under both Title XVI (Social Security Income) and Title II programs or a minimum of \$1,500.00, whichever amount is greater. The fee contracts further state that any fee shall be subject to an appropriate fee authorization by the Social Security Administration in accordance with the laws and regulations set out in Appointment of Representative form.

20. While none of the claimants suffered any loss and while the precise figures inserted in the fee petitions did, in fact, reflect 25% of the disability award as agreed to in Ms. Bradshaw's fee contract with the above referenced claimants, it is always preferred that attorneys not have their clients sign any fee petition until fully completed with the precise amount calculated, known by the claimant and inserted in the fee petition.

21. Ms. Bradshaw's practice of submitting fee petitions which did not have the precise amounts that she requested as her attorneys fee when her clients signed the fee petitions caused the Administrative Law Judge to believe that the clients had actually signed the fee petitions on the dates indicated and after the precise amounts had been inserted in the fee petitions.

22. The Committee finds that at the time of the conduct in question, Ms. Bradshaw was not aware of the impropriety of such a practice and further finds that such was done absent any dishonest or deceitful intent.

Based upon the foregoing Findings of Fact, the Committee enters the following:

CONCLUSIONS OF LAW

1. By having the clients referred to above sign fee petition forms at the time the fee contracts were signed and before the precise amounts were calculated and inserted therein, and thereby causing the Administrative Law Judge reviewing the fee petitions in question to believe that the claimants had signed the fee petitions on the dates indicated and after the precise amounts had been entered, Defendant engaged in conduct prejudicial to the administration of justice in violation of Rule 1.2(D) of the North Carolina Rules of Professional Conduct.

Based on the foregoing FINDINGS OF FACT and CONCLUSIONS OF LAW and upon the consent of the parties, the Hearing Committee enters the following:

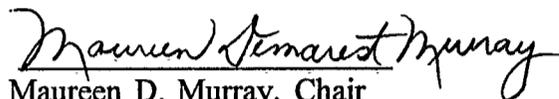
ORDER OF DISCIPLINE

1. For the conduct described in this order, The Defendant is hereby reprimanded by the North Carolina State Bar.
2. The Defendant is taxed with the costs as assessed by the Secretary.

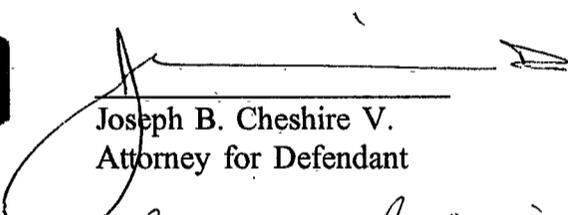
Signed by the undersigned chairperson with the full knowledge and consent of the other members of the hearing committee

This the 6th day of ~~November~~ ^{December}, 1994.

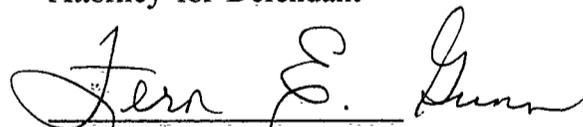
consented to:


Maureen D. Murray, Chair
Disciplinary Hearing Committee

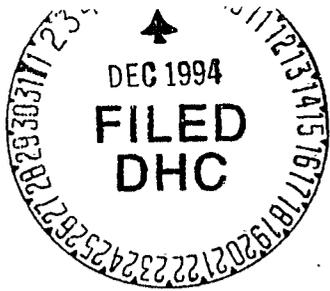

Susan H. Bradshaw, Defendant


Joseph B. Cheshire V.
Attorney for Defendant


Alan M. Schneider
Attorney for Defendant


Fern E. Gunn
Attorney for Plaintiff

NORTH CAROLINA
WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
94 DHC 11

THE NORTH CAROLINA STATE BAR,)

Plaintiff,)

vs.)

SUSAN H. BRADSHAW, ATTORNEY)

Defendant.)

REPRIMAND

This reprimand is delivered to you pursuant to Section 23(A) of Article IX of the Rules and Regulations of the North Carolina State Bar and pursuant to the consent order of the disciplinary hearing committee of the Disciplinary Hearing Commission entered herein on the 6th day of December, 1994, which included Findings of Fact and Conclusions of Law.

The claimants referred to therein retained you for representation in their respective Social Security Disability cases. They each signed a fee contract agreeing to pay you a contingency fee of one-fourth of all retroactive benefits. They also signed a fee petition agreeing to pay the yet unknown one-fourth of all retroactive benefits as attorneys fee prior to the precise amount being calculated and inserted in the fee petition.

ALJ Robert Phares of the Social Security Administration, OHA in Raleigh, North Carolina found the claimants disabled.

After receipt of the award letters, you completed the fee petitions and entered the precise amounts, which amounts reflected 25% of the disability award as agreed upon in the fee contracts with your clients. You then filed the fee petitions with ALJ Robert Phares of the Social Security Administration, OHA in Raleigh, North Carolina and sought approval to charge and collect the requested fees.

While none of the claimants suffered any loss and while the precise figures inserted in the fee petitions did, in fact, reflect 25% of the disability award as agreed to in your fee contract with the above referenced claimants, it is always preferred that attorneys not have their clients sign any fee petition until fully completed with the precise amount calculated, known by the

claimant and inserted in the fee petition.

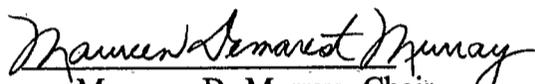
By having the clients referred to above sign fee petition forms at the time the fee contracts were signed and before the precise amounts were calculated and inserted therein, and thereby causing the Administrative Law Judge reviewing the fee petitions in question to believe that the claimants had signed the fee petitions on the dates indicated and after the precise amounts had been entered, you engaged in conduct prejudicial to the administration of justice in violation of Rule 1.2(D) of the North Carolina Rules of Professional Conduct.

The Committee found, however, that at the time of the conduct in question, you were not aware of the impropriety of such a practice and further found that such was done absent any dishonest or deceitful intent.

The Disciplinary Hearing Commission is confident that this reprimand will be heeded by you and will ultimately prove beneficial to you. We trust that you will never again allow yourself to depart from strict adherence to the highest standards of the legal profession.

Signed by the undersigned chairperson with the full knowledge and consent of the other members of the hearing committee

This the 6th day of December, 1994.


Maureen D. Murray, Chair
Disciplinary Hearing Committee